

Assembly Joint Resolution

No. 17

**Introduced by Assembly Member Chavez
(Principal coauthor: Assembly Member Ashburn)**

June 25, 2001

Assembly Joint Resolution No. 17—Relative to veterans’ home loan programs.

LEGISLATIVE COUNSEL’S DIGEST

AJR 17, as introduced, Chavez. Extension of home loan programs.

This measure would respectfully urge the Congress of the United States to amend the Internal Revenue Code to change the definition of “qualified veteran” for purposes of providing financing for home loans to any veteran who meets the requirements as may be imposed by the state law pursuant to which qualified veterans’ mortgage bonds are issued.

Fiscal committee: no.

- 1 WHEREAS, The States of Alaska, California, Oregon, Texas,
2 and Wisconsin have established veterans’ home loan programs;
3 and
4 WHEREAS, The States of Alaska, California, Oregon, Texas,
5 and Wisconsin have authority in the Internal Revenue Code to
6 issue qualified veteran mortgage bonds to finance their respective
7 veteran home loan programs; and
8 WHEREAS, Veterans’ eligibility under current federal tax law
9 restricts the eligibility to veterans who served on active duty prior
10 to January 1, 1977; and

1 WHEREAS, The federal tax law devalues the service to our
2 country given by those men and women who have served in the
3 military of the United States since 1977 by denying them access
4 to a benefit that has been available to their counterparts from other
5 eras; and

6 WHEREAS, Service in uniform should be accorded the same
7 respect and stature irrespective of the moment in time during
8 which it was provided. The men and women who have served since
9 1977 should have the same opportunity to take root in the
10 communities they have defended as was offered those who “made
11 the world safe for democracy” in World War II, or were called
12 upon to “pay any price, bear any burden, support any friend or
13 oppose any foe to ensure the survival and success of liberty...”
14 during the Vietnam and Cold War eras; and

15 WHEREAS, The Directors of Veterans Affairs of the States of
16 Alaska, California, Oregon, Texas, and Wisconsin are desirous of
17 extending their respective veteran home loan programs to include
18 the men and women of the United States of America who are
19 dispatched to participate in any conflict that has occurred or will
20 occur on or after January 1, 1977; and

21 WHEREAS, Nearly 3 million veterans reside in California. Of
22 those, 1.05 million, began their active military service on or after
23 January 1, 1977, and over one-quarter million of those served in
24 Desert Storm; and

25 WHEREAS, Since 1922, California has operated, at no expense
26 to its General Fund, the Cal-Vet Farm and Home Loan Program.
27 Cal-Vet is a qualified veterans mortgage bond (QVMB) program
28 that has helped 408,000 California veterans become homeowners;
29 and

30 WHEREAS, Opening participation in this home loan benefit to
31 post-1976 veterans requires no direct budget expenditure by
32 Congress and the well-established benefits of home ownership to
33 local communities will be enhanced and expanded; and

34 WHEREAS, Veterans of all conflicts should receive benefits
35 consistent with the benefits available to veterans of previous
36 armed conflicts; and

37 WHEREAS, Those veterans have been qualified for eligibility
38 into congressionally chartered veterans’ organizations by prior
39 acts of the Congress of the United States; now, therefore, be it



1 *Resolved by the Assembly and Senate of the State of California,*
2 *jointly,* That the Legislature of the State of California respectfully
3 memorializes the Congress and the President of the United States
4 to urge the Congress of the United States to amend paragraph (4)
5 of Section 143(l) of the Internal Revenue Code of 1986 to read:
6 “(6) Qualified veteran—For purposes of this subsection, the term
7 ‘qualified veteran’ means any veteran—(A) who meets such
8 requirements as may be imposed by the State law pursuant to
9 which qualified veterans’ mortgage bonds are issued”; and be it
10 further

11 *Resolved,* That the Chief Clerk of the Assembly transmit copies
12 of this resolution to the President and Vice President of the United
13 States, and to the Speaker of the House of Representatives, the
14 President of the Senate, and each Member in the Congress of the
15 United States.

